

Nampa Wastewater Advisory Group Workshop

Wastewater Program Update
April 2, 2013



City of Nampa
Wastewater Division
www.cityofnampa.us/wastewater



Workshop Agenda

- Provide an update on Wastewater Program:
 - Phase I upgrades progress
 - Continuing long-term option investigations
 - Regulatory update
- Provide an overview of the rate increase:
 - Funding
 - Cost of Service Study
 - Hook-up fees
 - Industrial Incentive Policy
- Review public outreach efforts and next steps



Wastewater Program Updates

Steve Burgos, Brown and Caldwell

Status of Phase I Upgrades

- Preliminary design moving forward
- Final design in late 2013 through 2014
- Construction from 2015 thru 2017

Chemical Addition Facility

Third Aeration Basin

Solids Handling Facility

Anaerobic Digester

Primary Effluent
Pump Station

Unit Process Costs:

- Third Aeration Basin = ~\$6,000,000
- Solids Handling Facility = ~\$11,900,000
- Anaerobic Digester = ~\$3,700,000
- Primary Effluent Pump Station = ~\$2,600,000
- Demolish Trickling Filter = ~\$1,500,000
- Demolish Secondary Clarifier = ~\$1,200,000

Phase II Update

- Treat and Offset
 - Looking less favorable due to regulatory concerns
- Infiltration
 - Several sites investigated, one determined to be potentially viable
 - Potentially viable site sold to private investor
 - Continuing discussions with several potential property owners

Regulatory Update

- NPDES Permit:
 - City assigned new NPDES permit writer
 - Draft NPDES permit likely completed end of summer 2013
- 2012 303d List of Impaired Water Bodies:
 - Indian Creek listings could have significant impact on options
- Infiltration:
 - Working towards clarity on total dissolved solids (TDS) question
 - Working with DEQ on defining exact steps in process to get an infiltration project permitted



Phase I Funding, Cost of Service Study, and Industrial Incentive Policy

John Ghilarducci, FCS Group

City Council Meeting

- Wastewater Program Management Team presented to City Council on January 28, 2013
- Asked for direction on:
 - Phase I funding
 - Cost of Service allocation
 - Hook-up fees
 - Industrial Incentive Policy
 - Public involvement for rate increase

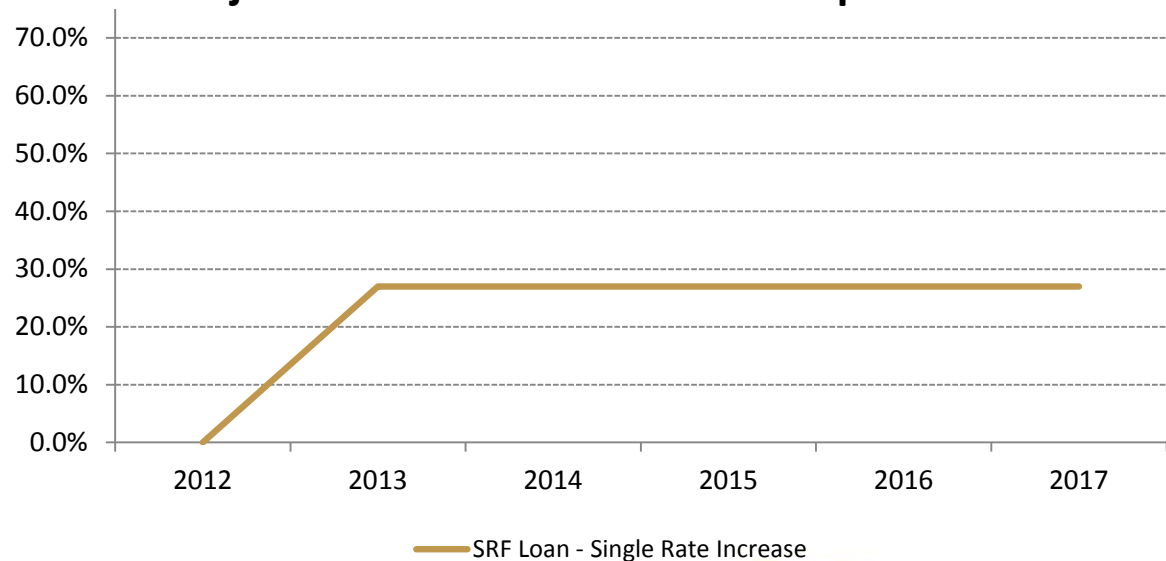
Phase I Funding

- City will fund Phase I upgrades via the SRF Loan
 - \$17 million loan from the State of Idaho
 - 2% interest rate
 - 20 year term
 - Remaining funding requirements to be paid cash from rate revenues (approx. \$11 million)

Phase I Funding

- Mix of Cash and Loan Proceeds optimizes long-term rates and positions City for Phase II
- Resulting Rate Increase: **27%**

Projected Increase in Revenue Requirements



Cost of Service Allocation

- City conducted a Cost of Service Study
 - The revenue needed to fund the Phase I improvements
 - How much it costs to treat each customer classes' wastewater
 - How much money needs to be raised from each customer class to meet all the financial obligations of the Phase I improvements
- The City decided to implement rates that will move each customer class towards the cost of treatment

Allocation Options Bill Impacts

Customer Class	Example Customers	Existing	Full Cost-of-Service	Step Toward Cost-of-Service
SE1	Dry cleaners, laundromats, car washes	\$157.32	\$303.18	\$255.51
SE2	Residential, retail stores	\$20.22	\$ 23.48	\$ 24.52
SE3	Hospitals, schools, churches	\$91.49	\$142.82	\$130.54
SE4	Food markets, sit-down restaurants	\$198.78	\$306.12	\$281.40
SE5	One identified in Nampa	--	--	--
SE6	Bakery, dairies, drive-in restaurants	\$181.84	\$274.59	\$254.47
SE7	Special permit	--	--	--
Industrial ¹	Large industrial users	\$4,927	\$7,353	\$6,847

¹ Assumes average flow 1.22 mg; 11,219 lbs BOD; 8,522 lbs TSS; 346 lbs TKN; 75 lbs TP.

Proposed Bi-Monthly Rates

Customer Class	Example Customers	Existing Base Rate	Existing Usage Rate ¹	Proposed Base Rate	Proposed Usage Rate ¹
SE1	Dry cleaners, laundromats, car washes	\$14.48	\$1.12	\$14.48	\$1.85
SE2	Residential, retail stores	\$14.48	\$1.73	\$14.48	\$2.30
SE3	Hospitals, schools, churches	\$14.48	\$2.03	\$14.48	\$2.97
SE4	Food markets, sit-down restaurants	\$14.48	\$2.44	\$14.48	\$3.49
SE5	One identified in Nampa	\$14.48	\$2.94	\$14.48	\$4.31
SE6	Bakery, dairies, drive-in restaurants	\$14.48	\$3.60	\$14.48	\$5.10
SE7	Special permit	\$14.48	\$4.67	\$14.48	\$6.18

¹ Per 100 cubic feet (ccf).

Treasure Valley & Regional Bill Comparison (2012)

City	Example Monthly Bill	Notes
Nampa	\$24.52	With 2013 rate increase (SRF Step to Cost of Service Rates)
Boise	\$26.62	
Meridian	\$39.01	\$5.43/1000 gallons usage fee
Caldwell	\$26.27	\$8.847/month base fee
Eagle Sewer District	\$30.00	\$30/month flat fee
Seattle	\$87.38	\$11.65/ccf usage fee
Portland	\$61.17	\$8.14/ccf usage fee

Calculating Bill Increases

New sewer bills will be based on:

- **The amount of water used each month.**
- **The cost of treating wastewater.**
 - **Effluent strength class**
- **Wastewater fixed rate.**

Calculating Bill Increases

- **The amount of water used each month.**
 - Sewer bills are based on water usage which is measured by your water meter. Water usage is documented on utility bills.
- **The cost of treating wastewater.**
 - Each utility customer is classified by the type of wastewater treatment needed/effluent strength. The Cost of Service study determined the cost of treating each classification.

Calculating Bill Increases

- **Wastewater fixed rate.**
 - The City charges all customers a fixed rate of \$14.48 per bill (\$7.24 each month) for the associated costs of bill processing, customers service and utility administration.
 - The fixed rate is proposed to remain the same once the rate increase is in effect.

Sample Sewer Bill



City of Nampa
401 3rd St. South
Nampa, ID 83651
208-468-5711

Pay free on-line at www.cityofnampa.us
Or pay by phone 208-649-1288
There is a \$1.50 fee per transaction



117892+000+00008586+

DUE DATE: 03/11/2013
SHUT OFF DATE: 03/19/2013
ACCOUNT NO.: XXXXXX-XXX

Nampa Shares and Cares Donation
(noted on reverse side)

CURRENT DUE: 85.96
PAST DUE AMOUNT Credit: -0.10
DUE UPON RECEIPT:
TOTAL DUE: 85.86

Name
Address
Nampa, ID

Return Address on Reverse Side

MAKE CHECKS PAYABLE TO CITY OF NAMPA

PLEASE DETACH AND RETURN TOP PORTION WITH YOUR PAYMENT



City of Nampa
401 3rd St. South
Nampa, ID 83651
208-468-5711

Account Number: XXXXXX-XXX
Service Address:

Bill To: Name
Address
Nampa, ID

Legal Description:

PREVIOUS READING	DATE	SERVICE	DATE READ	CONSUMPTION	NET AMOUNT DUE
61681	11/15/2012	Prev Balance Due Upon Receipt			83.90
		Payments			-84.00
		Water	01/31	1072	19.24
		Sewer	01/31	1072	33.03
		Residential Trash & Recycling			25.72
		Optional Cart Service			7.82
		Tax			0.15
62753	1/31/2013				
Current Amt Due					85.96
Credit					-0.10
Total Amount Due					85.86

STATEMENT DATE: 02/08/2013

DUE DATE: 03/11/2013

SHUT OFF DATE: 03/19/2013



Hook-Up Fees

- Hook-up fees are charged to all new customers to pay for the cost of their allocated system capacity
 - Growth pays for growth
- Currently, hook-up fees are charge based on water meter size
- The City will adopt a revised hook-up fee structure which is based on the customer class' use of the system instead of water meter size

Current Hook-Up Fees

Meter Size	Collection System Fee	WWTP Fee	Total Sewer Connection Fee
Residential	\$1,119	\$2,296	\$3,415
1"	\$1,119	\$2,296	\$3,415
1.5"	\$2,171	\$4,453	\$6,624
2"	\$3,491	\$7,162	\$10,653
3"	\$7,239	\$14,852	\$22,091
4"	\$11,189	\$22,955	\$34,144
6"	\$21,717	\$44,556	\$66,273

Proposed Hook-Up Fees by Class

Class	Example Customers	Hook-up Fee (per EDU)
SE1	Dry cleaners, laundromats, car washes	\$2,089
SE2	Residential, retail stores	\$2,888
SE3	Hospitals, schools, churches	\$3,354
SE4	Food markets, sit-down restaurants	\$3,821
SE5	One identified in Nampa	\$5,084
SE6	Bakery, dairies, drive-in restaurants	\$5,900
SE7	Special permit	\$7,065
Industrial	Large industrial users	
Flow (per mgd)		\$4,856,270
BOD (per lb/day)		\$383
TSS (per lb/day)		\$567
TN (per lb/day)		\$2,943
TP (per lb/day)		\$19,250
TDS (per lb/day)		\$0

Treasure Valley & Regional Hook-up Fee Comparison (2012)

City	Example Hook-up Fee	Notes
Nampa	\$2,888	With 2013 adjustment
Boise	\$3,575	New or expanding subdivisions
Meridian	\$2,749	
Caldwell	\$1,969	Inside subdivision
Eagle Sewer District	\$4,695	
Seattle (King County)	\$9,630	\$53.50/month for 15 years
Portland	\$4,335	

Sample Hook-Up Fees

Customer Type	Current	Proposed
SE2: Single Family Residence (1 EDU)	\$3,415	\$2,888
SE3: 1" meter / 1 EDU (commercial laundry)	\$3,415	\$3,354
SE3: 2" meter / 7 EDUs (school – 200 students)	\$10,653	\$23,478
SE4: 2" meter / 11 EDUs (sit-down restaurant)	\$10,653	\$42,026
SE4: 1" meter / 5 EDUs (food market)	\$3,415	\$19,103
SE6: 1" meter / 3 EDUs (drive-in restaurant)	\$3,415	\$17,699
SE6: 2" meter / 8 EDUs (food production)	\$10,653	\$47,198

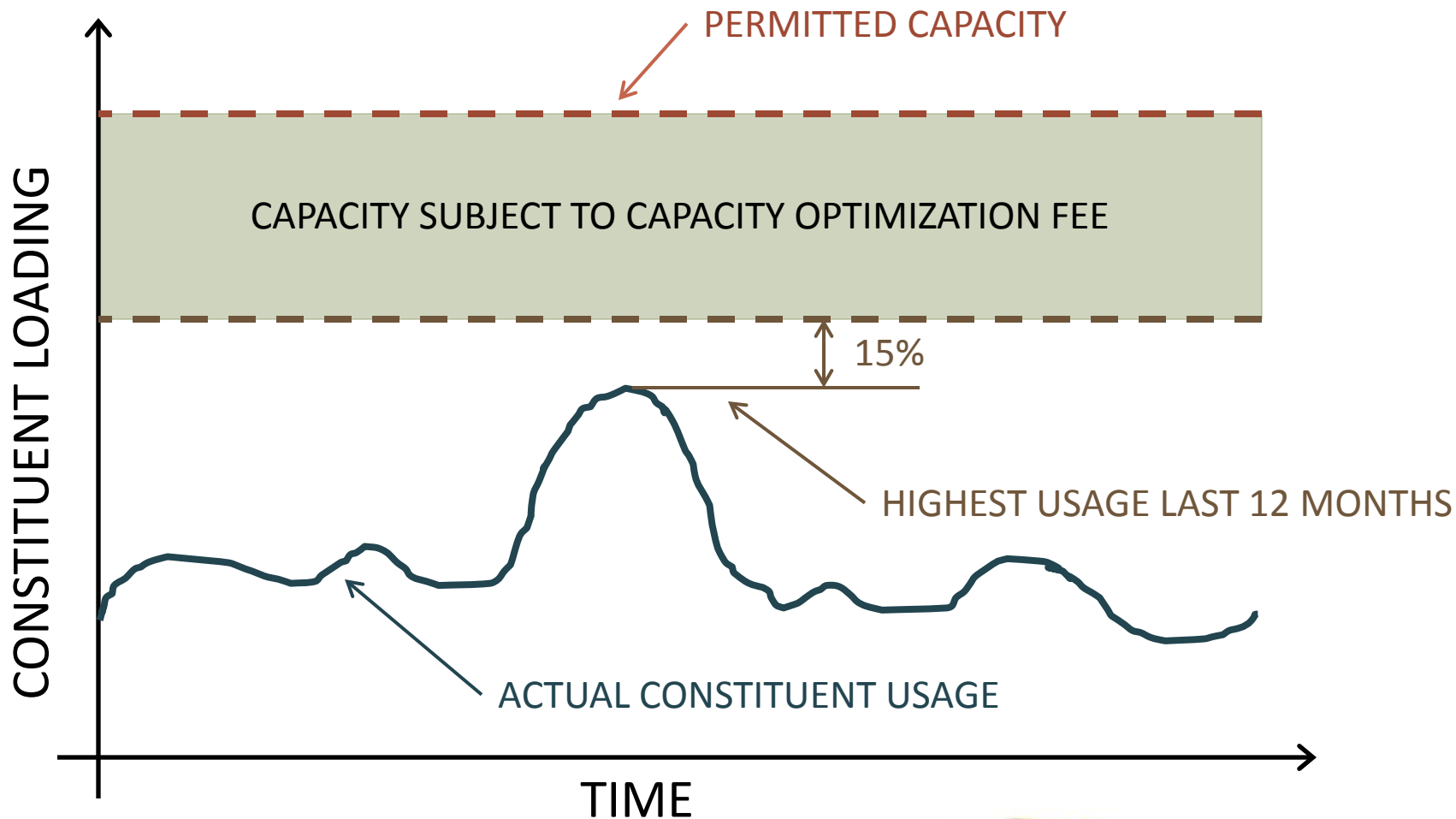
Industrial Incentive Policy Update

- City developed an Industrial Incentive Policy to incentivize economic development
- Opportunities available to new and existing industries:
 - Loan of capacity
 - Lease of capacity
 - Amortized purchase of capacity
 - Sale/transfer of capacity

Capacity Optimization Fee

- Goal of the fee is to optimize efficiency level of the Nampa WWTP
- City has developed a Capacity Optimization Fee for industrial users who do not use their full allocated capacity
- Industrial dischargers reserve WWTP capacity
 - Industries rarely use all reserved capacity
 - WWTP must be sized to account for reserved capacity
 - City must pay to ensure capacity is available at any time

Example: Capacity Optimization Fee



Proposed Capacity Optimization Fee

Constituent	Proposed Rate
Flow (per mg of unused capacity)	\$444.67
BOD (per lb of unused capacity)	\$0.044
TSS (per lb of unused capacity)	\$0.036
TN (per lb of unused capacity)	\$0.329
TP (per lb of unused capacity)	\$0.076

- Goal to have fee effective on July 1, 2014
 - Give these customers a chance to prepare
 - Allow City to provide an estimate of expected bill to each customer
 - Allow Customers to adjust either operations or plan for the additional fee



Public Involvement

Rosemary Curtin, RBCI

Public Outreach Efforts

- Utility bill insert (27,500)
- Website
- Virtual Focus Group
- Phone line (range of calls to-date)

Public Outreach Efforts

- Business and Commercial customers
 - Mailing
 - Phone calls
 - Group meetings
 - One-on-One meetings
- Industrial customers
 - Range of rate increases
 - One-on-One meetings

Public Outreach Efforts

Business and Commercial group meetings

- Tuesday, April 2 | 10:30 a.m. - Noon
- Thursday, April 4 | 1 – 3 p.m.
- Friday, April 5 | 9:30 – 11 a.m.
- Tuesday, April 9 | 10 a.m. - Noon
- Tuesday, April 9 | 1 – 3 p.m.

Public Open House

Public Open House

Tuesday, April 16 | 4 – 7:30 p.m.

Nampa Civic Center

- Open house notification process
 - Utility bill insert
 - Newspaper display ads (*Idaho Press-Tribune and Idaho Hispano*)
 - Radio ads (*101.9 FM La Grand*)
 - Media



What's Next

Rosemary Curtin, RBCI

Public Open House and Public Hearing

Public Open House

Tuesday, April 16, 4 – 7:30 p.m.

Nampa Civic Center

Public Hearing

Monday, June 3, 7:30 p.m.

Nampa City Hall



Next Steps

- Nampa's new sewer rate will go into effect on July 1, 2013
- Phase I improvements will begin this year
 - City will continue to evaluate a long-term option to meet future federal permit requirements
- The City will keep the community informed and provide opportunities for public involvement and input throughout the wastewater upgrade process

Thank You

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Questions?

www.cityofnampa.us/wastewater